

REMARKS/ARGUMENTS

Amendments in General / Claim Rejections - 35 U.S.C. § 112

Claims 3 and 19

Claim 3 was rejected under 35 U.S.C. § 112 for failing to particularly point out and distinctly claim the subject matter that applicant regards as the invention. In particular, the Examiner referred to the phrase “wherein said step of transmitting transaction . . . placing items for sale in a auction and making offers to sell to a third party,” specifically the recitation “placing items for sale in an auction and making offers to sell to a third party.” More particularly, the Examiner asked how “placing items for sale and making offers to sell to a third party” relates to the invention, i.e., to “matching and selecting product offers and information and delivering matched product offers and information.” In that regard, claim 3 concerns an arrangement in which the matching and selection of product offers and information and delivery of matched product offers take place, in which items are placed for sale, and in which offers to sell to third parties are made. For example, paragraph [0023] describes one possible embodiment of the invention, as follows:

[0023] Individual customers can provide information in their profiles that indicates an interest in particular products or services that may be offered for sale or auction by other individual customers or organizations. When those products or services are then offered for sale or auction, the individual customer can choose to have the product offer or auction participation opportunity automatically delivered to their device for display. The customer can then choose to purchase or participate in the auction directly from their device at that time.

This paragraph discusses one way in which “placing items for sale and making offers to sell to a third party” relates to “matching and selecting product offers and information and delivering matched product offers and information.”

Claim 19 was rejected under 35 U.S.C. § 112 as being indefinite for the recitation “said merchant supplied selection criteria for a product” lacking sufficient antecedent basis. Claim 19 has been amended to clarify the meaning of merchant supplied selection criteria.

Claim 19 was further rejected under 35 U.S.C. § 112 as being indefinite for the recitation “gathering information regarding products offers . . . including buyer information from a merchant including demographic profiles of potential purchasers of a particular product.” Claim 19 has been amended accordingly.

Standards for Patentability

“An applicant for a patent is entitled to the patent unless the application fails to meet the requirements established by law. It is the Commissioner’s duty (acting through the examining officials) to determine that all requirements of the Patent Act are met. The burden is on the Commissioner to establish that the applicant is not entitled under the law to a patent In rejecting an application, factual determinations by the PTO must be based on a preponderance of the evidence, and legal conclusions must be correct.” *In re Oetiker*, 977 F.2d 1443, 1449, 24 USPQ2d 1443, 1447, 24 USPQ2d at 1447 (Fed. Cir. 1992) (Plager, J., concurring).

“The precise language of 35 USC 102 that ‘a person shall be entitled to a patent unless,’ concerning novelty and unobviousness, clearly places a burden of proof on the Patent Office which requires it to produce the factual basis for its rejection of an application under sections 102 and 103.” *In re Warner*, 379 F.2d 1011, 1016, 154 USPQ 173 (CCPA 1967), *cert. denied*, 389 U.S. 1057, *reh’g denied*, 390 U.S. 1000 (1968).

Claim Rejections - 35 U.S.C. § 103

Claims 1, 5, 8–9, and 13

Claims 1, 5, 8–9, and 13 were rejected by the Examiner as being unpatentable over Robertson (6,609,106) in view of Hsu (7,013,292).

The Examiner contends that combining the claims of Robertson with the teachings of Hsu would teach all the limitations of claims 1, 5, 8–9, and 13. However, the Robertson and Hsu references are significantly different from the current application. Both Hsu and Robertson are online gift registries that allow for cross-merchant cooperation for satisfaction of a gift recipient’s expressed desires. Their matching system is determined by matching expressed desires from a gift recipient with those wanting to purchase items for the gift recipient. Robertson is a collective registry that allows the active participant (i.e., the gift recipient) to register for multiple occasions from multiple merchants. Passive participants (i.e., purchasers) select from the field defined by the active participant. Passive participants are not involved in selecting the field of offers by the merchants but are instead required to select from the field defined by the active participant. Secondary active participants are those merchants whose cooperation allows active participants to browse and select items from the merchants and choose to merge the information regarding the active participant’s expressed desire into a single interface. Hsu is also a collective registry that allows an active participant to register for multiple occasions from multiple merchants but additionally allows the passive participants to partially pay for goods or services that are expressly desired by an active participant.

The current application is a system for creating a field of offers from cross merchant cooperation directed towards a purchaser. The active participant (i.e., the purchaser of the goods and services) is the primary selector of goods and services. The field of offers given to the active participant is partially defined by demographic analysis of the active participant as well as successive iterations of the active participant's expressed desires. Secondary active participants are the merchants that provide the goods and services to the recipients of the goods and services. Gift recipients are not necessarily users of the system, may be completely unaware of the system providing them with the goods and services, and do not explicitly express their desires for products. It is strictly within the primary active participant's purview to decide the appropriateness of purchases as well as the direction of benefit from the business transaction.

Claiming that the current application is directly analogous to the cited reference obviates the utility of the claimed prior art. The cited prior art is geared towards solving the problems created by a gift registry with a store, i.e., that the selection offered by any one store may be insufficient to satisfy the wishes of a gift recipient or that the gifts selected by the gift recipient are excessively expensive.

The problem addressed by the current system is to create a forum in which merchants may selectively choose offers to make to an active participant, based upon demographic information as well expressed desires and interests, which the active participant is able to evaluate and choose to either accept or reject.

Alternatively, the recent Supreme Court case, *KSR International v. Teleflex Inc.*, clarified the requirements for a rejection for obviousness. Shortly following that Supreme Court decision, Deputy Commissioner Margaret A. Focarino issued a guidance to PTO Examiners directly related to evaluating § 103 rejections.

Commissioner Focarino stated that "it remains necessary to identify the reason" why prior art should be combined. More completely, the conclusion of the Memorandum provides the following statement, "[I]n formulating a rejection under 35 U.S.C. § 103(a) based upon a combination of prior art elements it remains necessary to identify the reason why a person of ordinary skill in the art would have combined the prior art elements in the manner claimed."

Commissioner Focarino also noted that to facilitate review, the analysis of the reason for combining elements should be made explicit. Commissioner Focarino commented that "the 'teaching, suggestion, or motivation' test 'could provide a helpful insight in determining whether the claimed subject matter is obvious under 35 U.S.C. § 103(a)' but that the 'rigid application' of the TSM test had been repudiated."

The Supreme Court in *KSR* also noted that

a patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art. Although common sense directs one to look with care at a patent application that claims as innovation the combination of two known devices according to their established functions, it can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed invention does.

KSR Int'l Co. v. Teleflex Inc., 550 U.S. ____ (Apr. 30, 2007).

We propose that the Examiner's § 103 rejections to this point have been in the nature of finding parts of the invention in prior art, and not indicating any suggestion, teaching, or motivation for their combination. Further, any reason for the combination must be explicitly discussed, which these rejections have not been.

Claims 2, 4, 6-7, and 12

Claims 2, 4, 6-7, and 12 were rejected by the Examiner as being unpatentable over Robertson, Hsu, and in further view of Falls (5,991,771). As discussed previously, the limitations of claim 1, from which claims 2, 4, 6-7 and 12 depend, are not taught by the teachings of Hsu and Robertson. For the foregoing reasons, applicant respectfully contends that Robertson and Hsu do not teach the art as claimed by claim 1 or, alternatively, that the Examiner has not met its burden proving obviousness in light of *KSR*'s characterization of *Graham*.

Additionally, Examiner relies on the teachings of Falls for teaching the limitations of claims 2, 4, 6-7, and 12 "wherein said transaction requests are able to be made when display device is not connected to said network" Falls teaches a system for allowing a networked computer attached to a network to make a replica of data stored on the network. When the connection is removed, changes may be made to the replica on the disconnected system. When the system is reconnected to the network, changes to the replica are accepted on the database structure based on a transaction manager that tracks changes to the replica.

The term transaction in Falls has a different meaning than the generally-accepted meaning. A term may be defined differently when "the patentee has chosen to be his or her own lexicographer by clearly setting forth an explicit definition for a claim term." See *Johnson Worldwide Assocs., Inc. v. Zebco Corp.*, 175 F.3d 985, 990 (Fed. Cir. 1999) (quoting *In re Paulsen*, 30 F.3d 1475, 1480). Falls defines a transaction as "a sequence of one or more operations which are applied on an all-or-nothing basis" (Falls col. 2 lines 26-28) and relates to

the technical field of database maintenance, the maintenance of information, and consistencies of information, not the choice to “initiate a purchase or other transaction/process” (*Application* ¶ 42 line 2). Therefore, Applicant respectfully contends that Falls is non-analogous art as applied to the present application and is therefore not obvious in view of the combination of Robertson, Hsu, and Falls.

Claim 3

Claim 3 was rejected by Examiner as being unpatentable over Robertson, Hsu, in further view of Woolston (6,202,051). As discussed previously, the limitations of claim 1, from which claim 3 is dependant, and therefore the limitations of claim 3 are not taught by Robertson and Hsu. For the foregoing reasons, Applicant respectfully contends that Robertson and Hsu do not teach the art as claimed by claim 3 or, alternatively, that the Examiner has not met its burden proving obviousness in light of *KSR*’s characterization of *Graham*.

Furthermore, Woolston teaches a system for “enabling a seller to auction a uniquely identified item via the internet . . .,” (Woolston, claim 1 col. 20 line 33-34), and create an electronic “‘market maker’ for collectable and used goods . . .” (col. 1 line 15-16). The limitations of an auction system for collectable and used goods taught by Woolston teaches away from an auction enabling a seller to sell items that are not unique, i.e., goods that are easily interchanged. Therefore, Applicant respectfully contends that Woolston does not teach all the limitations of claim 3 and is not obvious in view of the combination of Robertson, Hsu, and Woolston.

Claims 10–12

Claims 10–12 were rejected by Examiner as being unpatentable over Robertson, Hsu, and in further view of Falls.

As discussed previously, the limitations of claim 2, from which claims 10–12 depend, are not taught by the combination of Robertson and Hsu. For the foregoing reasons, applicant respectfully contends that Robertson and Hsu do not teach the art as claimed by claim 2 and therefore do not teach the art as claimed by claims 10–12 or, alternatively, that the Examiner has not met its burden proving obviousness in light of *KSR*’s characterization of *Graham*. As noted *supra*, Applicant respectfully contends that Falls does not teach all the limitations of claim 2 from which claim 10-12 depend and that claims 10–12 are not obvious in view of the combination of Robertson, Hsu, and Falls.

Claims 14–18

Claims 14–18 were rejected by Examiner as being unpatentable over Robertson in view of Slotznick and in further in view of Falls.

Slotznick characterizes a system for creating a self learning assistant module that automatically initiates transactions for the primary participant, thereby becoming a participant in the selection process. The system learns from transactions, with each future transaction dependant on analysis of those transactions occurring in the past. The system for “executing tasks” (Slotznick, col 23, line 44) is different than a system for creating offers based on the combination of past actions and demographic information. Falls’ application to changes made to a replica and tracked via a replication manager fails to teach a system for executing and initiating purchase transaction while disconnected from a network. Therefore, the combination of Robertson, Sloznick, and Falls, fails to teach the limitation of claims 14–18. Accordingly, claims 14–18 are not obvious in light of the Robertson, Sloznick, and Falls.

Claim 19

Claim 19 was rejected by Examiner as being unpatentable over Robertson in view of the article “Reminder/Gifted Solutions Announces Merchants and Portal Partners Using its New Gift Services Engine at Internet Commerce Expo this Week” in further view of Falls and Woolston.

Reminder/Gifted fails to teach all the limitations of claim 19. Therefore claim 19 is not obvious in view of the combination of Robertson, Reminder/Gifted, Falls, and Woolston. The system in Reminded/Gifted is one that makes offers to an active participant for passive gift recipients and will “look at the most often purchased items matching your gift recipient’s profile (age, gender, and relationship) and give(s)” the user options to purchase. (Reminder/Gifted ¶ “Shopping Assistant”). This expressed basis for choosing offers to be offered to the purchaser teaches away from the present application because it limits the amount of information available for analysis by merchants to determine what type of offers to make. The current application allows for users to input user profile information such as “age, occupation, personality, children, sex, income level, residence, hobbies” as well as “spouses, shopping habits, wedding anniversaries, birthdays of relatives, the ages of one’s children . . . political inclinations, interest in advocacy groups or political parties” (*Application*, ¶ 37 lines 7-15). The limited criteria taught in Reminded/Gifted teaches away from the use of “buyer information from a merchant including demographic profiles of potential (buyers) of a particular product” (*Application* claim 19 as currently amended). The use of limited criteria for determining acceptable offers teaches that offers meeting the defined criteria of Reminder/Gifted would continue to be offered to the offeree, even after the offeree has expressed rejection. The current application would take such a rejection and adjust accordingly. Also, Reminder/Gifted’s limited criteria would further fail to

make offers to a minority in an age, gender, or relationship group with divergent interest from the majority of people in that age, gender or relationship group while the current application suggests offers to be made based on a broader criteria. For this reason, Applicant respectfully contends that claim 19 is not obvious in light of Reminded/Gifted as combined with Robertson, Falls, and Woolston.

Conclusion

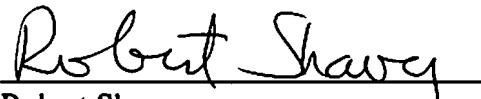
None of the amendments made herein add new matter.

If the Examiner feels it would advance the application to allowance or final rejection, the Examiner is invited to telephone the undersigned at the number given below.

Reconsideration and allowance of the application as amended is respectfully requested.

DATED this 14th day of June, 2007.

Very respectfully,



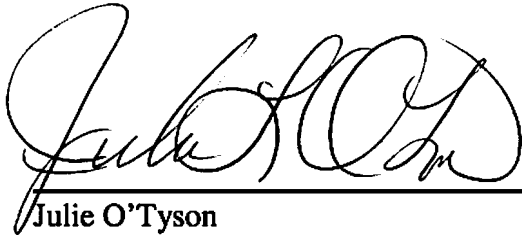
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A handwritten signature in black ink, appearing to read "Julie O'Tyson", is written over a horizontal line.

Julie O'Tyson
Intellectual Property Paralegal